GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:2009
ANSWERED ON:29.11.2001
IMPLEMENTATION OF PROJECTS BY NTPC
A.P. JITHENDER REDDY

Will the Minister of POWER be pleased to state:

(a) whether the Government of Andhra Pradesh have requested the UnionGovernment to instruct National Thermal Power Corporation to implement 650 MW Naphtha based Hyderabad Metro CCPP on Priority;

(b) if so, whether the State Government have also requested for alternative fuelsupply for this project in view of high cost of Naphtha; and

(c) if so, the action taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA)

(a) to (c) : Hyderabad Metro Combined Cycle Power Project (650 MW) wasoriginally envisaged with naphtha as the main fuel. National Thermal Power Corporation(NTPC) accordingly submitted Feasibility Report to Central Electricity Authority fortechno-economic clearance. However, due to high cost of naphtha, the project proposal could not be pursued further. NTPC had also undertaken an internal study of various alternative fuels for use in such projects. The study brought out that the proposed plant will not be viable with naphtha/Liquefied Natural Gas as fuel as the cost of generation islikely to be over Rs.4/unit which will make the tariff unaffordable from such power plants.

The domestic gas from Krishna-Godavari basin will be most economicfuel for this project but the possibility of obtaining linkage from this source is very remote and uncertain. Some alternatives to gas from domestic sources like Coal BedMethane and gas hydrates were examined but were not found suitable presently.